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ABSTRACT

The beneficiaries of state grant programs, the amount of aid students receive, and policies that affect the utility of aid are considered, based on the 1982-1983 report of the National Association of State Scholarship and Grant Programs. For both need-based and non-need-based programs, attention is directed to eligibility criteria for students, award rates and reasons for denial, programs for undergraduate and graduate students, and the distribution of aid by family income, race, sex, and age. Based on data for over 100 state programs, information is presented on the following eligibility criteria: U.S. citizenship requirements, residency requirements, and academic merit. In addition, the estimated amounts of state funds devoted to need-based undergraduate programs per Pell Grant recipient in the 50 states (1982-1983) are presented as a crude measure of aid relative to need. It was found that only a small number of programs give average awards in excess of $2,000, and most programs that make average awards exceeding $1,000 serve graduate and professional students. State policies vary regarding the number of needy students they aid. (SW)

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CHARACTERISTICS OF STATE GRANT PROGRAMS IN 1982-83

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Characteristics of the state student aid programs are described in detail in reports of the annual surveys of the National Association of State Scholarship and Grant Programs (NASSGP). Rather than duplicate this effort, we have extracted data from the 1982-83 report and organized it according to two questions that, in our judgment, are relevant to federal policy:

- Who benefits from state programs?
- How much aid do students receive and what limits the utility of this aid to the student?

Many states have more than one program. In addition, the state programs vary according to whether they serve undergraduate or graduate students and whether or not awards are based on need. Not all of the state programs are covered in every response to the NASSGP survey questions. As many as 113 programs are covered in some of the responses.

WHO BENEFITS FROM STATE PROGRAMS?

In this section, we describe the eligibility criteria that students must satisfy, award rates and reasons for denial, programs for undergraduate and graduate students, and the distribution of aid according to several economic and demographic characteristics.

Eligibility Criteria

The data on eligibility requirements cover programs that serve graduate and undergraduate students and need-based and non-need programs.

Of the 103 state programs for which information on eligibility criteria is provided, only six require U.S. citizenship of recipients. Ninety-seven programs are open to permanent residents in addition to U.S. citizens, and 52 allow refugees.

Regarding residence in the state, generally programs allow dependent students to participate as soon as their parents become state residents. The

residency requirements for independent students vary from six months to more than 36 months. (See Table 1.)

Table 1

Distribution of Residency Requirements for Independent Students

	Required Residency Period (in months)				
	6	12	24	36 or more	Total Number of Programs
Number of Programs	5	74	5	3	87

Source: National Association of State Scholarship and Grant Programs, 14th Annual Survey: 1982-83 Academic Year.

Forty of 108 programs use some measure of academic merit to award aid. Seven use test scores; 20 use grades or class rank; and 15 combine test scores with grades or class rank.

Percent of Applicants Who Receive Aid and Reasons for Denial

Like the data on eligibility requirements, the data on applications processed and reasons for denial cover graduate, undergraduate, need-based and non-need programs.

Data on expected application volumes, numbers of awards, and reasons for denial for 1982-83 were estimated for 81 programs. These programs are expected to receive about 2.6 million applications and make awards to 51 percent of the applicants. Estimates of the percent of applicants to be aided range from 1.8 percent to 100 percent. Twenty percent of the programs cited lack of need as the reason for denying aid to applicants, and 36 percent cited lack of program funds.

Undergraduate and Graduate Students

Of 103 need-based programs, 19 serve both graduates and undergraduates, 73 undergraduates only, and 13 graduates only.

Distribution of Aid Among Economic and Demographic Groups

Given the diverse state policies on eligibility and the reasons for refusal, how is the aid awarded among various economic and demographic groups? Table 2, reproduced from the NASSGP survey, shows the distribution of aid among many classes of recipients. The data cover programs providing need-based aid to undergraduate students. The reader should note that, in some cases, the data cover only a small number of states. NASSGP states that it is impossible to determine whether the data are representative of all undergraduate need-based programs. Nevertheless, since this is the only data available, it is included in this summary.

About 38 percent of the aid in the 1982-83 academic year is estimated to be going to families with incomes of less than $9,000 a year, 18 percent to those with incomes of $25,000 or more, and the remainder to those in the $9,000 to $25,000 range.

Government policies in a variety of areas have been concerned with equalizing opportunities for minority group members and women. We find that about 18 percent of state program aid is going to Black students, about 9 percent to Spanish-American students, and about 56 percent to women.

In addition, many educators have been concerned with the opportunities available to adult students to improve their education or develop new skills for second careers. Approximately 14 percent of the aid is going to students who are 26 years or older. Many adult students attend school part-time. Little of the state aid serves such students; only one-fifth of one percent of the aid is in support of part-time undergraduates.

1982-83 AWARD DISTRIBUTION BY CATEGORIES WITHIN REGIONS

TOTAL OF ALL STATES REPORTING

Category	Number of States in Sample	Number of Recipients in Sample	Total Dollars in Sample	Percent of Recipients	Percent of Dollar
Full-Time Undergraduates	37	1,046,981	$805,516,999	99.81%	99.80%
Part-Time Undergraduates	37	1,967	1,628,979	0.19	0.20
1982 High School Graduates	22	183,067	157,769,203	22.76	23.49
Other Freshmen Applicants	22	83,224	74,879,589	10.35	11.15
Upper Class First Time	22	84,250	63,235,550	10.47	9.41
Renewal Applicants	22	453,866	375,856,012	56.42	55.95
4 Year Public Colleges	35	427,830	258,779,074	40.70	29.54
2 Year Public Colleges	35	181,977	102,586,625	17.31	11.71
4 Year Private Colleges	35	327,838	408,505,777	31.18	46.64
2 Year Private (Junior) Colleges	35	22,956	28,352,491	2.18	3.24
Proprietary/Vocational/Technical	35	59,710	54,025,123	5.68	6.17
Hospital Schools of Nursing	35	7,488	7,399,195	0.71	0.84
Hospital Allied Health Programs	35	2,448	3,658,436	0.23	0.42
Out-of-State Institutions	35	21,053	12,605,004	2.00	1.44
Citizens	16	255,887	177,216,379	97.30	97.33
Permanent Residents	16	3,943	2,828,003	1.50	1.55
Refugees	16	1,222	665,947	0.46	0.37
Other	16	523	341,007	0.20	0.19
Residency Status Unknown	16	1,405	1,033,754	0.53	0.57
State Residents	37	1,131,026	917,885,966	99.91	99.88
Non-State Residents	37	1,046	1,095,981	0.09	0.12
Dependent Students	29	692,335	580,038,817	73.48	73.05
Independent Students	29	249,876	213,987,251	26.52	26.95
Males	24	150,025	134,620,193	42.18	42.17
Females	24	199,346	179,492,787	56.05	56.23
Sex Unknown	24	6,294	5,114,195	1.77	1.60
White	18	212,335	195,513,020	60.40	59.06
Black	18	70,160	62,183,224	19.96	18.78
American Indian	18	3,334	3,127,425	0.95	0.94
Oriental	18	15,498	20,279,223	4.41	6.13
Spanish American	18	27,542	29,508,746	7.83	8.91
Race Unknown	18	22,674	20,426,718	6.45	6.17
18-21 Years Old	14	244,940	225,903,792	71.59	71.97
22-25 Years Old	14	49,142	43,200,950	14.36	13.76
26 Years and Older	14	46,565	43,671,189	13.61	13.91
Age Unknown	14	1,494	1,122,216	0.44	0.36
Gross Family Income					
$ 0-$ 8,999	29	201,030	154,030,758	37.48	37.69
$ 9,000-$14,999	29	91,389	73,567,284	17.04	18.00
$15,000-$19,999	29	71,142	54,618,541	13.26	13.36
$20,000-$24,999	29	68,907	51,004,068	12.85	12.48
$25,000 & Above	29	103,911	75,507,144	19.37	18.47

SOURCE: National Association of State Scholarship and Grant Programs, 14th Annual Survey: 1982-83 Academic Year.

HOW MUCH AID IS RECEIVED AND WHAT POLICIES AFFECT THE UTILITY OF AID?

Knowledge of the distribution of aid among broadly defined economic and demographic classes gives some measure of how well public policy objectives regarding distribution are met. However, it is also important to examine the benefits to individual students. Two aspects of the benefit question are examined here: First, the simple question of how much aid is received by individual recipients, and second, the more subtle question of how public policies enhance or reduce the benefit that the student can obtain from the funds he or she receives.

Amount of Aid Received

In 1982-83, maximum awards in all types of programs are reported to range from $200 to $18,413 although the high end of the range is not at all representative of state programs. Maximum awards in excess of $3,000 are rare. Furthermore, most state programs that give maximum awards that exceed $2,000 serve graduate and professional students.

Average awards of all types of state programs are expected to range from $175 to $18,413 a year. Again the $18,413 is not representative. Only a small number of programs give average awards in excess of $2,000, and most programs that make average awards that exceed $1,000 serve graduate and professional students. A distribution of average and maximum awards appears in Table 3.

Table 3

Distribution of Average and Maximum Awards

Amount	Number of Programs: Maximum Awards	Number of Programs: Average Awards
Less than $500	10	18
$500 to $999	20	48
$1,000 to $1,499	15	
$1,500 to $1,999	27	28
$2,000 and more	38	___
Total	110	92

Source: National Association of State Scholarship and Grant Programs, 14th Annual Survey: 1982-83 Academic Year.

Of course average awards per state grant recipient may not be a good measure of how a state is meeting the need for assistance in its borders because a state may make large average grants to only a small proportion of needy students. State policies vary regarding the number of needy students they aid. One measure of need in a state is the number of Pell Grant recipients in 1981-82. Since Pell Grants are available only to undergraduates, this is measure of the need of undergraduates only. A crude measure of aid relative to need is the amount of state funds devoted to need-based undergraduate programs per Pell Grant recipient in the state. This is not the average amount of state aid that Pell recipients get, but simply the amount of funds in state need-based undergraduate programs divided by a measure of the needy population. It should be emphasized that this measure only reflects aid to students in the form of grants and does not necessarily reflect the efforts of the state to maintain a public university system or

subsidize private colleges.

Some states that rank high on the criterion of average award per recipient of state aid tend not to rank as high on the criterion of funds per Pell Grant recipient. In fact, of the ten states with the highest average award per state aid recipient only three rank among the highest ten in funds per Pell recipient. Table 4 shows state aid awarded, state aid recipients, Pell recipients, average awards, and ranks according to the two criteria.

Limits on the Utility of Aid

Many states place restrictions on the use of aid. Laws or regulations often prohibit students from carrying the aid across state boundaries or using it at private, or public, institutions. Such policies may achieve public policy objectives such as strengthening in-state institutions or achieving some desired balance between public and private colleges. However, the benefits of achieving such objectives are traded off against a cost to the recipient in the form of restrictions on where the money may be used.

Data on the restrictions on the use of aid cover 104 programs of all types. In fifty-seven of the programs, awards can be used at a wide variety of institutions -- traditional two- and four-year private and public colleges, nursing schools, and post-secondary business and trade schools. Fifteen states have programs that support students only at private colleges, 10 that support students only at public colleges. However, in all but one of these states, there are other programs that serve students in the other sector.

Only 11 states have major programs that provide portable aid, i.e., aid that can be used in another state.

Estimated Average Need-Based Awards to Undergraduates
from State Programs, 1982-83, and State Funds per Pell Grant Recipient

	State Aid Awarded 1982-83 (thousands)	State Grant Recipients	Estimated Average State Award a/	Pell Grant Recipients (1981-1982)	Estimated Funds per Pell Grant Recipient b/	State Rank by Average State Award	State R by Fund per Pel Recipie
ALABAMA	1,700	2,832	600	62,943	27	29	50
ALASKA	234	155	1,510	1,678	139	2	28
ARIZONA	2,394	3,199	748	34,858	69	17	36
ARKANSAS	2,335	10,377	225	29,181	80	49	34c/
CALIFORNIA	90,209	62,407	1,446	220,414	409	3	12
COLORADO	7,471	11,735	637	28,549	262	27	16
NNECTICUT	9,024	11,450	788	21,394	422	14	10
DELAWARE	593	927	640	5,634	105	26	30
STRICT OF COLUMBIA	1,118*	850*	1,315*	12,569	89	4	32
FLORIDA	14,060	18,033	780	100,171	140	15 c/	27
GEORGIA	4,645	16,817	276	48,065	97	48	31
HAWAII	736*	1,900*	387*	5,218	141	44	26
IDAHO	481	873	551	7,981	60	33	39c/
ILLINOIS	95,171	93,385	1,019	121,596	783	6	3
INDIANA	29,450	40,148	734	59,179	498	18	8
IOWA	17,292	14,570	1,187	34,202	506	5	7
KANSAS	4,990	6,400	780	28,929	172	15c/	21
KENTUCKY	6,556	18,018	364	45,302	145	45	25
OUISIANA	2,220*	4,135*	537*	44,182	50	34	42
MAINE	550	1,050	524	13,383	41	36	45
MARYLAND	5,886	12,440	473*	40,236	146	41	24
SSACHUSETTS	16,305	25,324	664	77,025	218	24	19
	30,887	31,547	979	107,112	288	7	16

Estimated Average Need-Based Awards to Undergraduates
from State Programs, 1982-83, and State Funds per Pell Grant Recipient

	State Aid Awarded 1982-83 (thousands)	State Grant Recipients	Estimated Average State Award a/	Pell Grant Recipients (1981-1982)	Estimated Funds per Pell Grant Recipient b/	State Rank by Average State Award	State Ra by Fund per Pel Recipie
MINNESOTA	30,917	52,533	589	58,320	530	31	6
MISSISSIPPI	1,247	2,400	520	43,184	29	37	49
MISSOURI	8,809	11,000	801	57,453	153	13	23
MONTANA	400	900	444	10,323	39	42	46
NEBRASKA	1,056	2,200	480	22,821	46	40	43c/
NEVADA	150*	450	333*	3,975	38	47	47
NEW HAMPSHIRE	579	1,635	354	9,678	60	46	39c/
NEW JERSEY	47,067	69,398	678	71,175	661	22	4
NEW MEXICO	1,000	1,500	667	18,873	53	23	41
NEW YORK	296,548	342,000	867	337,037	880	10	2
NORTH CAROLINA	3,198	5,410*	591	68,961	46	30	43c/
NORTH DAKOTA	720	1,720	419	10,963	66	44	37
OHIO	33,856	67,000	505	108,085	313	39	13c/
OKLAHOMA	9,000	17,500	514	31,075	290	38	15
OREGON	8,477	15,016	565	32,467	261	32	17
PENNSYLVANIA	89,040	122,750	725	137,335	648	21	5
RHODE ISLAND	6,823	10,346	659	16,615	411	25	11
SOUTH CAROLINA	12,981	7,500	1,731	41,481	313	1	13c/
SOUTH DAKOTA	431*	470*	917*	13,849	31	9	48
TENNESSEE	7,342	16,775	438	57,424	128	43	29
TEXAS	22,903	24,600	931	119,495	192	8	20
UTAH	1,094	1,495	732	12,983	84	19	33
VERMONT	6,497	7,536	862	6,734	965	11	1

Estimated Average Need-Based Awards to Undergraduates
from State Programs, 1982-83, and State Funds per Pell Grant Recipient

	State Aid Awarded 1982-83 (thousands)	State Grant Recipients	Estimated Average State Award a/	Pell Grant Recipients (1981-1982)	Estimated Funds per Pell Grant Recipient b/	State Rank by Average State Award	State Rank by Funds per Pell Recipient
IRGINIA	4,088	20,442	200	50,837	80	50	34 c/
ASHINGTON	6,425	10,447	615	38,108	169	28	22
ST VIRGINIA	4,195	5,220	804	18,285	229	12	18
ISCONSIN	23,028	42,940	536	54,200	425	35	9
YOMING	204	279	731	3,119	65	20	38

SOURCES: National Association of State Scholarship and Grant Programs, 14th Annual Survey: 1982-83 Academic Year, and special tabula ons of Pell Grant recipients by state from he Department of Education.

a/ State aid to be awarded divided by the estimated number of recipients.

b/ State aid to be awarded divided by the number of Pell Grant recipients in 1981-82.

c/ Two or more states have the same rank.

* 1981-82 data or 1982-83 data not available.